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4 **BEFORE THE PUBLIC DISCLOSURE COMMISSION**
5 **OF THE STATE OF WASHINGTON**

6 In the Matter of Enforcement Action Against:
7 Citizens for a Healthy Economy,
8 Respondent
9

PDC CASE NO. 06-251
FINAL ORDER

10 This matter came for hearing before the Washington State Public Disclosure
11 Commission on October 27, 2005 at the PDC offices in the Evergreen Plaza Building,
12 Room 206, 711 Capitol Way South, Olympia, Washington. Those present included
13 Commission members Earl Tilly, Chair; Jane Noland, Vice Chair; Bill Brumsickle,
14 Secretary; Mike Connelly; and, Ken Schellberg. Also present were PDC Executive
15 Director Vicki Rippie; Senior Assistant Attorney General Linda Dalton for PDC Staff;
16 Senior Counsel Nancy Krier for the Commission; and Michele Radosevich, Deputy
17 Treasurer for Respondent Citizens for a Healthy Economy (CHE). The proceedings were
18 open to the public and were recorded.

19 This matter involved a citizen action letter (45-day letter) dated September 27, 2005
20 from Richard L. Pope, Jr. to the Attorney General's Office under RCW 42.17.400(4). The
21 letter was sent to the Commission by the AGO for investigation. Copies of the letter had
22 also been provided by Mr. Pope to the PDC and local government attorneys. The letter was
23 received by the PDC on September 28, 2005. The letter alleged that the CHE¹ violated
24 RCW 42.17.080 and .090 by failing to timely file reports of contributions and expenditures
25

26 ¹ The letter also contained allegations concerning Patricia Davis and those are addressed in
PDC Case No. 06-250.

1 during the 2005 election cycle, and violated RCW 42.17.3691 by failing to file campaign
2 reports electronically.

3 PDC Staff submitted to the Commission the Notice of Administrative Charges dated
4 October 20, 2005 and the Report of Investigation dated October 20, 2005 (with exhibits).
5 PDC staff also submitted a memorandum dated October 20, 2005 summarizing penalties
6 assessed in comparable cases. The parties also submitted to the Commission a Stipulation
7 as to Facts and Violations (Stipulation) dated October 27, 2005. The parties also made oral
8 presentations to the Commission.

9 Following consideration of the written and oral submissions, the Commission
10 unanimously voted to accept the Stipulation and voted 3-2 to impose a civil penalty as
11 follows.

12 I. FINDINGS OF FACT AND CONCLUSIONS OF LAW

13 Based upon the Stipulation which is hereby incorporated by reference as to findings
14 of stipulated facts and conclusions of violations of law, the Commission finds:

15 1. CHE committed multiple violations of RCW 42.17.080 and .090 for failing
16 to timely and accurately file reports of contributions and expenditures on the dates provided
17 in the Stipulation.

18 2. CHE committed multiple violations of RCW 42.17.3691 for failing to
19 electronically file all contribution and expenditure reports as outlined above.

20 II. ORDER

21 Based upon the findings and conclusions, the Commission orders that:

- 22 1. The Stipulation is accepted; and
23 2. The Respondent is assessed a civil penalty of \$1000.

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1 parties within **30 days** of the date that the Public Disclosure Commission serves this final
2 order on the parties. RCW 34.05.542 (4) provides: "Service of the petition on the agency
3 shall be by delivery of a copy of the petition to the office of the director, or other chief
4 administrative officer or chairperson of the agency, at the principal office of the agency.
5 Service of a copy by mail upon the other parties of record and the office of the attorney
6 general shall be deemed complete upon deposit in the United States mail, as evidenced by
7 the postmark."
8

9 If reconsideration is properly sought, the petition for judicial review must be served
10 on the Public Disclosure Commission and any other parties within thirty (30) days after the
11 Commission acts on the petition for reconsideration.
12

13 **ENFORCEMENT OF FINAL ORDERS**

14 The Commission will seek to enforce this final order in superior court under RCW
15 42.17.395-.397, and recover legal costs and attorney's fees, if the penalty remains unpaid
16 and no petition for judicial review has been filed under chapter 34.05 RCW. This action
17 will be taken without further order by the Commission.
18

19 The Executive Director is authorized to enter this order on behalf of the Commission.
20

21 DATED THIS 16th day of November 2005.
22

23 FOR THE COMMISSION:

24 Vicki Rippie

25 VICKI RIPPIE, Executive Director

26 Attachment: Stipulation as to Facts and Violations dated October 27, 2005

1 *Date of mailing:*

2 _____

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4 *Copies mailed to:*

5 Michele Radosevich, for Respondent

6 Linda Dalton, Senior Assistant Attorney General, for PDC Staff

7 Nancy Krier, Senior Counsel, for the Commission

8 Honorable Robert M. McKenna, Attorney General

9 Honorable Norman K. Maleng, King County Prosecuting Attorney

10 Honorable Edward G. Holm, Thurston County Prosecuting Attorney

11 Richard L. Pope, Jr.

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7 **BEFORE THE PUBLIC DISCLOSURE COMMISSION**
8 **OF THE STATE OF WASHINGTON**

9 In the Matter of Enforcement Action
10 Against

NO. 06-251

11 Citizens for a Healthy Economy,

STIPULATION AS TO FACTS AND
VIOLATIONS

Respondent.

12 The parties hereto, the Public Disclosure Commission Staff, by and through its
13 attorney of record, LINDA A. DALTON, Senior Assistant Attorney General, and the
14 Respondent, CITIZENS FOR A HEALTHY ECONOMY (CHE), appearing through its
15 deputy treasurer, MICHELE RADOSEVICH, and submit this Stipulation as to Facts and
16 Violations in this matter.

17 **I. JURISDICTION**

18 1. The Public Disclosure Commission has jurisdiction over this proceeding pursuant to
19 Chapter 42.17 RCW, the Public Disclosure Act; Chapter 34.05 RCW, the Administrative
20 Procedure Act; and Title 390 WAC.

21 **II. FACTS**

- 22 1. Citizens for a Healthy Economy (CHE) is a political committee supporting candidates for
23 Commissioner, Port of Seattle, in the November 8, 2005 general election.
24 2. CHE selected the full reporting option which requires frequent and detailed reports of
25 contribution and expenditure activities.
26 3. The primary election for the relevant election period was held on September 20, 2005.

1 • Electronic Filing

- 2 4. CHE raised \$20,000 and registered as a political committee on April 29, 2005.
- 3 5. On April 29, 2005, CHE had the expectation of incurring over \$10,000 in expenditures and
- 4 thus, had the duty to file its reports electronically.
- 5 6. The following were CHE reports that were due electronically, were not filed electronically
- 6 on time and the number of days they were late:

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Report Title	Due Date	Date Received Electronically	Days Late
C-3	4/29/05	10/4/05	158
April C-4	4/29/05	10/4/05	158
May C-4	6/10/05	10/4/05	116
June C-4	7/11/05	10/4/05	85
21 Day Pre Primary C-4	8/30/05	10/4/05	35
7 Day Pre Primary C-4	9/13/05	9/30/05	17

- 19 7. The late filed reports totaled \$96,500 in contributions received and \$12,060 in expenditures
- 20 incurred.
- 21 8. Each of these reports were filed in hard copy on or near their original due date with the
- 22 exception of the pre-primary reports. Although CHE was informed by the PDC staff in late
- 23 August of the need to file electronically, CHE did not understand that it needed to refile
- 24 electronic versions of its reports covering activity for the period from April through June
- 25 2005 the 45-day letter was filed.

26 • Late Filings

- 1 9. CHE failed to timely file expenditure information on its 21-day pre-primary C-4 report that
2 was due on August 30, 2005. The report was filed seven days late on September 6, 2005.
3 On August 30, 2005, CHE requested an extension in the filing deadline to enable it to file
4 this report electronically. CHE was informed that the PDC was unable to grant extensions
5 for filing deadlines.
- 6 10. The late reported information from this report included \$10,123 in expenditures which
7 included a \$10,000 contribution to Seattle Port Commissioner candidate Patricia Davis.
- 8 11. CHE also failed to timely file contribution information on its 7-day pre-primary C-4 report
9 that was due on September 13, 2005. The report was filed 17 days late on September 30,
10 2005.
- 11 12. This late reported information included receipt of a \$500 contribution that had been timely
12 disclosed on a C-3 report.
- 13 13. CHE also failed to timely file contribution information on its June C-4 report that was
14 initially filed on July 11, 2005 and then amended on August 11, 2005. The report was filed
15 31 days late.
- 16 14. This late reported information included receipt of \$30,000 in contributions. \$20,000 of this
17 amount had been timely disclosed on C-3 reports, and \$10,000 was reported 31 days late
18 on a C-3 report filed August 11, 200⁵~~2~~^{rs}.

20 III. VIOLATIONS

21 The parties hereto stipulate to the following violations:

- 22 1. CHE committed multiple violations of RCW 42.17.080 and .090 for failing to timely
23 and accurately file reports of contributions and expenditures as outlined in the dates above.

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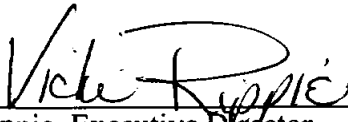
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1 2. CHE committed multiple violations of RCW 42.17.3691 for failing to electronically file
2 all contribution and expenditure reports as outlined above.

3 STIPULATED TO AND DATED this 27 day of October, 2005.

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5 
6 Vicki Rippie, Executive Director
7 Public Disclosure Commission

8
9 
10 MICHELE RADOSEVICH
11 Deputy Treasurer
12 Citizens for a Healthy Economy
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STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm 206, PO Box 40908 * Olympia, Washington 98504-0908 * (360) 753-1111 * Fax (360) 753-1112
Toll Free 1-877-601-2828 * E-mail: pdc@pdc.wa.gov * Website: www.pdc.wa.gov

November 16, 2005

MICHELE RADOSEVICH
DAVIS WRIGHT TREMAINE LLP
2600 CENTURY SQUARE
1501 FOURTH AVE
SEATTLE WA 98101-1688

Subject: Final Order – Citizens for a Healthy Economy - PDC Case No. 06-251

Dear Ms. Radosevich:

Enclosed is the Public Disclosure Commission's Final Order Imposing Fine that was entered in the above-referenced case. Also enclosed is the Stipulation as to Facts and Violations that was accepted by the Commission.

The Commission found that Citizens for a Healthy Economy (CHE) committed multiple violations of RCW 42.17.080 and .090 for failing to timely and accurately file reports of contributions and expenditures on the dates provided in the Stipulation. The Commission also found that CHE committed multiple violations of RCW 42.17.3691 for failing to electronically file all contribution and expenditure reports. A penalty of \$1,000 was assessed, and payment has been received. Thank you.

If you have questions, please contact me at (360) 664-8853 or toll free at 1-877-601-2828 or by e-mail at pstutzman@pdc.wa.gov.

Sincerely,

Philip E. Stutzman
Director of Compliance

Enclosures